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**FISCAL IMPACT STATEMENT**

**LS 6497**

**BILL NUMBER:** HB 1145

**NOTE PREPARED:** Dec 17, 2009

**BILL AMENDED:**

**SUBJECT:** Property Tax Exemption Application Filing.

**FIRST AUTHOR:** Rep. Herrell

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill authorizes a property tax exemption for the 2007 assessment date for land and improvements owned by a church that failed to file an exemption application for that year.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Under this bill, a church may file an exemption application by June 30, 2010, effective for taxes payable in 2008 under the following conditions:

- (1) The church constructed a community center, assessable for the 2007 assessment date;
- (2) The church failed to timely file an exemption application for the 2007 assessment date;
- (3) The property would have otherwise been eligible for exemption; and
- (4) The church timely filed an exemption application for the 2008 assessment date, which was granted.

The total number of properties that could be affected is unknown. One property has been identified in Howard County. According to county records, the original Pay 2008 tax bill was \$16,677. With penalties, the total due is \$18,372. A payment of \$9,186 was made in April 2009, leaving a balance of \$9,186.

Under this bill, the exemption would apply retroactively and the tax bill would be cancelled. The local taxing units and school corporation located in the property's taxing district would forego receipt of their share of the remaining \$9,186 that is due. Overall current year tax collections would also be reduced by \$9,186 in order to provide a refund of the amount already paid.

**State Agencies Affected:**

**Local Agencies Affected:** Local civil taxing units and school corporations in affected taxing districts.

**Information Sources:**

**Fiscal Analyst:** Bob Sigalow, 317-232-9859.